

REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS AUDIT EXAMINATION OF THE CHRISTIAN COUNTY FISCAL COURT

Fiscal Year Ended June 30, 1998

EDWARD B. HATCHETT, JR. AUDITOR OF PUBLIC ACCOUNTS

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CERTIFICATION OF COMPLIANCE –

LOCAL GOVERNMENT ECONOMIC ASSISTANCE



Edward B. Hatchett, Jr. Auditor of Public Accounts

To the People of Kentucky
Honorable Paul E. Patton, Governor
John P. McCarty, Secretary
Finance and Administration Cabinet
Sarah Jane Schaaf, Secretary, Revenue Cabinet
Honorable Steve Tribble, County Judge/Executive
Members of the Christian County Fiscal Court

Independent Auditor's Report

We have audited the accompanying statement of assets, liabilities, and fund balances arising from cash transactions of Christian County, Kentucky, as of June 30, 1998, and the related statement of cash receipts, cash disbursements, and changes in cash balances for the year then ended. These financial statements are the responsibility of the Christian County Fiscal Court. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, <u>Government Auditing Standards</u> issued by the Comptroller General of the United States, and the <u>Audit Guide for Fiscal Court Audits</u> issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Christian County, Kentucky, prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and laws of Kentucky. Consequently, certain revenues and the related assets are recognized when received rather than when earned and certain expenses are recognized when paid rather than when a liability is incurred. The cash basis accounting system does not require an entity to maintain a general fixed asset group or a general long-term debt group of accounts. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund balances arising from cash transactions of Christian County, Kentucky, and the related statement of cash receipts, cash disbursements, and changes in cash balances as of and for the year ended June 30, 1998, in conformity with the cash basis of accounting described above.

To the People of Kentucky
Honorable Paul E. Patton, Governor
John P. McCarty, Secretary
Finance and Administration Cabinet
Sarah Jane Schaaf, Secretary, Revenue Cabinet
Honorable Steve Tribble, County Judge/Executive
Members of the Christian County Fiscal Court

Our audit was performed for the purpose of forming an opinion on the financial statements of Christian County, Kentucky, taken as a whole. The information provided on the accompanying schedules is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the financial statements taken as a whole.

Based on the results of our audit, we present a schedule of Comments and Recommendations, included herein, which discusses the following area of noncompliance:

- County Saves \$230,674 By Restructuring Debt
- The County Should Have Required Depository Institutions To Pledge Additional Securities Of \$645,209 As Collateral And Entered Into A Written Agreement To Protect Deposits

In accordance with <u>Government Auditing Standards</u>, we have also issued our report dated March 26, 1999, on our consideration of Christian County, Kentucky's compliance with certain provisions of laws, regulations, contracts, and grants, and internal control over financial reporting.

Respectfully submitted,

Edward B. Hatchett, Jr. Auditor of Public Accounts

Audit fieldwork completed - March 26, 1999

CHRISTIAN COUNTY OFFICIALS

Fiscal Year Ended June 30, 1998

Steve Tribble County Judge/Executive

Mike Foster County Attorney
Elwanda Kennedy County Clerk

Garry Haddock Circuit Court Clerk

Thomas E. Scillian Sheriff
Lewis L. Leavell Jr. Jailer

Mills Foster Property Valuation Administrator

Frank T. Mason County Treasurer

Doris L. Lamb Coroner William H. Bruce Magistrate Joe Covington Magistrate Tommy Gilliland Magistrate Dudley W. Lacy Magistrate Edwin Long Magistrate Francis E. Whitney Magistrate James E. Fleming Magistrate Mike Kem Magistrate

STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES ARISING FROM CASH TRANSACTIONS

\$ 10,186,206

CHRISTIAN COUNTY STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES ARISING FROM CASH TRANSACTIONS

June 30, 1998

Assets and Other Resources

Total Assets and Other Resources

Assets

General Fund:	ф	742 604
Cash	\$	742,694
Investments		3,000,000
Road and Bridge Fund:		4.010
Cash		4,910
Jail Fund:		100.001
Cash		483,034
Jail Commissary Fund:		
Cash		13,327
Local Government Economic Assistance Fund:		
Cash		179,888
Revolving Loan Fund:		
Cash		464,515
Notes Receivable (Note 4)		491,153
Emergency 911 Fund:		
Cash		123,024
Investments		500,000
Public Courthouse Corporation Fund:		
Cash		12,560
Health Insurance Fund:		
Cash		98,429
Payroll Fund:		
Cash		61,461
Other Recourses		
Other Resources		
Jail Fund:		
Amounts to be Provided in Future Years for Jail Capital		
Lease Obligations - Bond Principal Payments (Note 5)		3,639,000
Public Courthouse Corporation Fund:		, , ,
Amounts to be Provided in Future Years for Note Payments (Note 6)		372,211

The accompanying notes are an integral part of the financial statements.

CHRISTIAN COUNTY STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES ARISING FROM CASH TRANSACTIONS June 30, 1998

June 30, 1998 (Continued)

Liabilities and Fund Balances

Liabilities

Revolving Loan Fund:		
Deferred Revenue (Note 4)	\$	491,153
Jail Fund:	φ	491,133
Capital Lease Obligation - Bond Principal Payments (Note 5)		3,639,000
Public Courthouse Corporation Fund:		3,039,000
*		204.771
Long-Term Debt Payable (Note 6)		384,771
Fund Balances		
Reserved:		
Jail Commissary Fund		13,327
Revolving Loan Fund		464,515
Emergency 911 Fund		623,024
Health Insurance Fund		98,429
Payroll Fund		61,461
Unreserved:		
General Fund		3,742,694
Road and Bridge Fund		4,910
Jail Fund		483,034
Local Government Economic Assistance Fund		179,888
		· · · · · · · · · · · · · · · · · · ·
Total Liabilities and Fund Balances	\$	10,186,206

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN CASH BALANCES

CHRISTIAN COUNTY STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN CASH BALANCES

Fiscal Year Ended June 30, 1998

<u>Cash Receipts</u>	tals emorandum ly)	Ge Fu	neral nd	ad and idge nd	Jai	l Fund
Schedule of Operating Revenue Transfers In Jail Commissary Fund Receipts	\$ 9,310,668 889,009 206,587	\$	4,272,714	\$ 1,336,106 465,000	\$	2,864,311
Total Cash Receipts	\$ 10,406,264	\$	4,272,714	\$ 1,801,106	\$	2,864,311
Cash Disbursements						
Comparative Schedule of Final Budget and Budgeted Expenditures Transfers Out Public Properties Corporation Borrowed Money Repaid Interest Paid Miscellaneous Principal on Capital Lease Jail Commissary Fund Expenditures	\$ 8,783,065 889,009 52,064 31,464 4 108,000 232,671	\$	3,124,396 724,945 108,000	\$ 2,308,252 38,861	\$	2,454,150 125,203
Total Cash Disbursements	\$ 10,096,277	\$	3,957,341	\$ 2,347,113	\$	2,579,353
Excess (Deficiency) of Cash Receipts Over (Under) Cash Disbursements Cash Balance - July 1, 1997*	\$ 309,987 5,312,394	\$	315,373 3,427,321	\$ (546,007) 550,917	\$	284,958 198,076
Cash Balance - June 30, 1998*	\$ 5,622,381	\$	3,742,694	\$ 4,910	\$	483,034

^{*} Cash Balance Includes Investments

The accompanying notes are an integral part of the financial statements.

CHRISTIAN COUNTY STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN CASH BALANCES Fiscal Year Ended June 30, 1998 (Continued)

		Loc	al								
		Gov	ernment							Publ	ic
Jail		Eco	nomic	Rev	olving	Eme	ergency	Hea	ılth	Cou	rthouse
Con	nmissary	Ass	istance	Loa		911		Insu	ırance	Corp	oration
Fun	d	Fun	d	Fun	d	Fun	d	Fun	d	Func	l
\$		\$	455,985	\$	118,581	\$	251,122	\$	11,849 340,481	\$	83,528
	206,587										
\$	206,587	\$	455,985	\$	118,581	\$	251,122	\$	352,330	\$	83,528
\$		\$	409,514	\$	82,700	\$	150,152	\$	253,901	\$	
	232,671										52,064 31,464 4
\$	232,671	\$	409,514	\$	82,700	\$	150,152	\$	253,901	\$	83,532
\$	(26,084) 39,411	\$	46,471 133,417	\$	35,881 428,634	\$	100,970 522,054	\$	98,429	\$	(4) 12,564
-											
\$	13,327	\$	179,888	\$	464,515	\$	623,024	\$	98,429	\$	12,560

CHRISTIAN COUNTY NOTES TO FINANCIAL STATEMENTS

June 30, 1998

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The financial statements of Christian County include the funds, agencies, boards, and entities for which the fiscal court is financially accountable. Financial accountability, as defined by Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, as amended by GASB 14, was determined on the basis of the government's ability to significantly influence operations, select the governing authority, participate in fiscal management and the scope of public service. Based upon the criteria stated in GASB 14, management has included the Public Courthouse Corporation Fund and the Jail Commissary Fund as part of the reporting entity.

B. Fund Accounting

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The government uses funds to report on its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts.

C. Basis of Accounting

The financial statements were prepared on a cash basis of accounting pursuant to Kentucky Revised Statute (KRS) 68.210 as recommended by the State Local Finance Officer. Consequently, certain revenues and related assets are recognized when received rather than when earned and certain expenses are recognized when paid rather than when a liability is incurred. The cash basis accounting system does not require an entity to maintain a general fixed asset group or a general long-term debt group of accounts.

D. Legal Compliance - Budget

The Christian County budget is adopted on a cash basis of accounting and laws of Kentucky as required by the State Local Finance Officer. The County Judge/Executive is required to submit estimated receipts and proposed expenditures to the fiscal court by May 1 of each year. The budget is prepared by fund, function, and activity and is required to be adopted by the fiscal court by July 1. The fiscal court may change the original budget by transferring appropriations at the activity level; however, the fiscal court may not increase the total budget without approval by the State Local Finance Officer. Expenditures may not exceed budgeted appropriations at the activity level.

E. Cash and Investments

Cash includes amounts in bank accounts, and investments are stated at cost. Investments may include certificates of deposit on the financial statements; however, for the purpose of disclosing credit risk (Note 3), investments exclude certificates of deposit.

Note 1. (Continued)

E. Cash and Investments (Continued)

KRS 66.480 authorizes the county to invest in the following, including but not limited to, obligations of the United States and of its agencies and instrumentalities, obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States, obligations of any corporation of the United States government, bonds or certificates of indebtedness of this state, and certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation (FDIC) or which are collateralized, to the extent uninsured, by any obligation permitted by KRS 41.240(4).

F. Related Organizations

A related organization is an entity for which a primary government is not financially accountable. It does not impose will or have a financial benefit or burden relationship, even if the primary government appoints a voting majority of the related organization's governing board. Based on these criteria, the following are considered related organizations of Christian County Fiscal Court:

Hopkinsville-Christian County Recreation Commission Hopkinsville-Christian County Public Library Hopkinsville-Christian County Planning Commission Hopkinsville-Christian County Communications Center

Note 2. Employee Retirement System

The county has elected to participate in the County Employees Retirement System (CERS), pursuant to KRS 78.530 administered by the Board of Trustees of the Kentucky Retirement Systems. This is a multiple-employer public retirement system that covers all eligible full-time employees. Benefit contributions and provisions are established by statute. Nonhazardous covered employees are required to contribute 5 percent of their salary to the plan. The county's contribution rate for nonhazardous employees was 8.65 percent.

Benefits fully vest on reaching five years of service for nonhazardous employees. Aspects of benefits for nonhazardous employees include retirement after 27 years of service or age 65.

Historical trend information showing the CERS' progress in accumulating sufficient assets to pay benefits when due is present in the Kentucky Retirement Systems' annual financial report.

Note 3. Deposits

The county maintains deposits with three depository institutions insured by the Federal Deposit Insurance Corporation (FDIC). According to law, the depository institution should pledge sufficient securities as collateral which, together with FDIC insurance, equals or exceeds the amount on deposit at all times. In order to be valid against the FDIC in the event of failure or insolvency of the depository institution, this pledge of securities should be evidenced by an agreement that is (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution. This agreement, signed by both parties, must be sufficient to create an enforceable and perfected security interest in the collateral under Kentucky law.

As of June 30, 1998, the uncollateralized amount on deposit was \$645,209. The pledged securities and FDIC insurance did not equal or exceed the amount on deposit. In addition, the county did not have a written agreement with the depository institution.

	Bank	Balance
Collateralized with securities held by pledging depository institution in the county's name	\$	4,681,650
Uncollateralized and uninsured		645,209
Total	\$	5,326,859

Note 4. Receivables

- A. The county loaned \$350,000 to Echo III Convention Center on April 3, 1986, for the purpose of purchasing equipment. Terms of the agreement stipulate a 16-year repayment schedule at 5 percent interest. Echo III Convention Center is in substantial compliance with the terms of this agreement. As of June 30, 1998, principal balance due was \$137,743.
- B. The county loaned \$100,000 to Porta Carport, Inc. on May 11, 1993, for the purpose of purchasing equipment. Terms of the agreement stipulate a 15-year repayment schedule at 5 percent interest. Records indicate that Porta Carport, Inc. is two months delinquent on this note. As of June 30, 1998, principal balance due was \$75,035
- C. The county loaned \$285,000 to Grandma's Kitchen/Pumper on January 14, 1985, for the purpose of purchasing equipment. Terms of the agreement stipulate a 15-year repayment schedule at 5 percent interest. Grandma's Kitchen/Pumper is in substantial compliance with the terms of this agreement. As of June 30, 1998, principal balance due was \$67,388
- D. On March 13, 1996, Pennyrile Area Development District assigned a \$125,000 loan made to BRHVD Machine & Tool, Inc. to Christian County. Terms of the agreement stipulate a 10-year repayment schedule at 5 percent interest. Records indicate that BRHVD is in substantial compliance with this agreement. As of June 30, 1998, principal balance due was \$77,529.

Note 4. Receivables (Continued)

- E. The county loaned \$81,150 to CBC Investments, LLC on September 4, 1996, for the purpose of purchasing equipment. Terms of the agreement stipulate a 7-year repayment schedule at 5.25 percent interest. CBC Investments, LLC is three months delinquent on this note. As of June 30, 1998, principal balance due was \$75,035.
- F. The county loaned \$60,000 to BuyRite Parts on February 6, 1998, for the purpose of purchasing real estate and improvements. Terms of the agreement stipulate a 10-year repayment schedule at 5.5 percent interest. Records indicate that BuyRite Parts is in substantial compliance with this agreement. As of June 30, 1998, principal balance due was \$58,423.

As of June 30, 1998, total receivables due the county were \$491,153.

Note 5. Long-Term Debt – Capital Lease

The Kentucky Local Correctional Facilities Construction Authority, an independent corporate agency and instrumentality of the Commonwealth of Kentucky, issues revenue bonds for the purpose of construction and reconstruction of jail facilities. The Authority issued \$2,578,887 of revenue bonds for the Christian County Jail Construction Project, none of which the county is required to pay. On June 18, 1992, the county entered into a lease agreement with the Kentucky Association of Counties Leasing Trust Program in the sum of \$4,081,000. The terms of the lease are for 25 years at various rates of interest. The balance of the lease at June 30, 1998, was \$3,639,000. (See Note 8 for restructuring of this loan)

Fiscal Year	 Scheduled Interest	Scheduled Principal			
1999 2000 2001 2002 2003 Thereafter	\$ 198,992 192,570 185,784 178,642 171,089 1,322,924	\$	113,000 120,000 126,000 133,000 141,000 3,006,000		
Totals	\$ 2,250,001	\$	3,639,000		

Note 6. Long-Term Debt

The Public Courthouse Corporation has two mortgage payables. Each a first mortgage recorded in the Christian County Court Clerk's office.

	Purchase	Maturity	Interest					
Description	Date	Date Rate		Amount				
Hall of Justice	8/1/84	8/1/04	8.00%	\$	122,827			
Rebuild Circuit Courtroom	6/7/91	1/1/06	8.50%	\$	261,944			
As of June 30, 1998, total payable is \$384,771.								

Note 7. Lease-Purchase Agreements

The county has entered into the following lease agreements:

			_		Leas		
	Monthly		Term of	Ending	Balance		
Description	Payment		Agreement	Date	6/30	/98	
		_				_	
Computer Equipment	\$	188	48 months	11/30/98	\$	913	
Copier	\$	179	60 months	12/20/02	\$	8,413	
Jail Equipment	various		60 months	10/01/98	\$	14,523	
Note 8. Subsequent Events							

A. The county restructured its lease with the Kentucky Association of Counties Leasing Trust Program for the Jail Construction Project in Note 5. The terms of the new agreement locks the fixed rate for a ten-year period ending January 2008. At the end of the ten-year period, the balance of the lease can be prepaid without penalty and/or the county has the option to convert to our variable rate program or lock the rate again in again until the maturity of the lease in the year 2017. The projected savings of this restructuring are \$230,674, after fees, versus the current lease.

Fiscal Year	,	Scheduled Interest	Scheduled Principal				
1999	\$	198,992	\$	113,000			
2000		169,431		150,000			
2001		151,598		155,000			
2002		146,250		160,000			
2003		142,490		170,000			
Thereafter		1,108,153		3,195,000			
Totals	\$	1,916,914	\$	3,830,000			

Note 8. Subsequent Events (Continued)

B. The county issued general obligation bonds in the amount of \$4,705,000 on December 31, 1998. The proceeds of the bonds are to expand, renovate, and improve the Christian County Detention Facility. The bonds bear interest between 3.5% and 4.2%. The bonds mature in 2014.

Fiscal	Scheduled						
Year	Principal						
2000	235,000						
2001	240,000						
2002	250,000						
2003	260,000						
2004	275,000						
Thereafter	3,445,000						
Totals	\$ 4,705,000						

Note 9. Partially Self-Funded Health Insurance

Christian County Fiscal Court elected to begin a partially self-funded health insurance plan for fiscal year ended June 30, 1998. This partially self-funded insurance plan covers all employees. The county pays for each county employee's individual coverage.

This partially self-funded insurance plan has three distinct components that the fiscal court must pay. The first component is fixed costs which consists of administrative costs associated with operating the plan and specific and aggregate reinsurance costs that cap the county's claims exposure on individuals and on the plan annually (\$119,840 for the current year). The second component is the claims cost, which is set up at the worst case scenario for the plan year (\$173,023 for the current year). The final component is the terminal cost. If the county elects to withdraw from this arrangement, the county is responsible for all of the claims incurred but not yet paid during the plan year. This terminal cost component will cover the cost to administer and pay all run-out claims from the prior plan year for an additional 15 months (\$51,510 for the current year). The Health Insurance Fund had a balance of \$98,430 as of June 30, 1998.

Note 10. Insurance

For the fiscal year ended June 30, 1998, Christian County was a member of the Kentucky Association of Counties' All Lines Insurance Fund (KALF). KALF is a self-insurance fund and was organized to obtain lower cost coverage for general liability, property damage, public officials' errors and omissions, public liability, and other damages. The basic nature of a self-insurance program is that of a collectively shared risk by its members. If losses incurred for covered claims exceed the resources contributed by the members, the members are responsible for payment of the excess losses.

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COMPARATIVE SCHEDULE OF BUDGETED TO ACTUAL OPERATING REVENUE

CHRISTIAN COUNTY COMPARATIVE SCHEDULE OF BUDGETED TO ACTUAL OPERATING REVENUE

Fiscal Year Ended June 30, 1998

	Bud	Budgeted		ual	Over		
	Ope	rating	Ope	rating	(Ur	nder)	
Budgeted Funds	Rev	enue	Rev	enue	Buc	dget	
General Fund	\$	3,242,630	\$	4,272,714	\$	1,030,084	
Road and Bridge Fund		2,466,219		1,336,106		(1,130,113)	
Jail Fund		2,581,251		2,864,311		283,060	
Local Government Economic Assistance Fund		334,968		455,985		121,017	
Revolving Loan Fund		110,605		118,581		7,976	
Emergency 911 Fund		244,200		251,122		6,922	
Health Insurance Fund				11,849		11,849	
						_	
Total	\$	8,979,873	\$	9,310,668	\$	330,795	
Reconciliation							
Total Budgeted Operating Revenue Above					\$	8,979,873	
Add: Budgeted Prior Year Surplus						1,690,000	
Less: Other Financing Uses						(191,528)	
Total Operating Budget Per Comparative Schedule							
Of Final Budget and Budgeted Expenditures					\$	10,478,345	

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CHRISTIAN COUNTY SCHEDULE OF OPERATING REVENUE

Fiscal Year Ended June 30, 1998

	To	tals			Road and			
	(M	emorandum	General		Bridge			
	On	ly)	Fui	nd	Fund		Jail l	Fund
								_
Revenue From Local Taxes								
and Excess Fees								
Sheriff:								
Real Estate	\$	1,207,766	\$	1,207,766	\$		\$	
Tangible Personal Property		190,818		190,818				
Unmined Minerals		4,296		4,296				
Timber		1,503		1,503				
Bank Shares		108,164		108,164				
Franchise		105,733		105,733				
Excess Fees - 1997		884,617		884,617				
County Clerk:		•		,				
Deed Transfer Tax		95,293		95,293				
Occupational Licenses		4,930		4,930				
Delinquent Taxes		24,477		24,477				
Excess Fees - 1997		538,083		538,083				
Tangible Personal Property Taxes:								
Other Counties		11,999		11,999				
County Clerk		216,160		216,160				
Telephone Tax		229,045						
Omitted Property Tax		37,772		37,772				
In Lieu of Taxes:								
Tennessee Valley Authority		70,746		70,746				
U.S. Treasurer		2,414		2,414				
Totals	\$	3,733,816	\$	3,504,771	\$	0	\$	0
Totals	Ψ	3,733,610	Ψ	3,304,771	Ψ		Ψ	<u> </u>
U.S. Treasurer								
Housing Prisoners	\$	67,133	\$		\$		\$	67,133
Medical Reimbursement	7	1,428	7		•			1,428
							-	
Totals	\$	68,561	\$	0	\$	0	\$	68,561

Local
Government

Economic	Revolving	Emergency	Health
Assistance	Loan	911	Insurance
Fund	Fund	Fund	Fund

\$ \$ \$

229,045

\$ 0	\$	0	\$ 229,045	\$ 0
\$	\$		\$	\$
\$ 0	\$	0	\$ 0	\$ 0

	Tot (M On	emorandum	General Fund		Road and Bridge Fund		Jail Fund	
Federal Receipts - State Treasurer								
Disaster and Emergency Assistance Grants - Coordinator Salary Disaster and Emergency Assistance Grant - 1997 Flood Relief	\$	16,380 929	\$	16,380	\$	929	\$	
Totals	\$	17,309	\$	16,380	\$	929	\$	0
Kentucky State Treasurer								
Jail: Allotments Medical Allotments Driving Under The Influence Fees Housing State Prisoners State Prisoner - Medical Court Costs, Jail Operation Class D Felon Prisoners Class D Felon - Medical Housing Juveniles County Road Aid Bridge Reimbursement Energy Recovery Road Fund Truck License Distribution	\$	227,177 16,375 20,528 829,061 62,309 35,333 994,979 74,792 119,860 1,031,095 83,705 628 151,650	\$		\$	1,031,095 83,705 628 151,650	\$	227,177 16,375 20,528 829,061 62,309 35,333 994,979 74,792 119,860
Strip Mine Permits Courthouse Rental - Administrative Office of the Courts Base Court Revenue Refunds: Legal Process Tax Drivers License Dog License State Reimbursement/Refund Severance Taxes: Coal Mineral		12,013 130,131 40,548 403 4,773 466 155 161,776 289,808		12,013 130,131 40,548 403 466 155		4,773		
Board of Assessments		1,000		1,000				

Local Government Economic Assistance Fund	Revolving Loan Fund	Emergency 911 Fund	Health Insurance Fund
\$	\$	\$	\$
\$ 0	\$	0 \$ 0	\$ 0
\$	\$	\$	\$

	tals emorandum ly)	General Fund		Road and Bridge Fund		Jail Fund	
Kentucky State Treasurer (Continued)							
Grants: Ambulance Disaster and Emergency Services Reimbursement Police Incentive Pay Local Records Grant Waste Tire Clean-up	\$ 40,354 292 13,581 47,135 10,000	\$	40,354 292 13,581 47,135 10,000	\$		\$	
Totals	\$ 4,399,927	\$	296,078	\$	1,271,851	\$	2,380,414
Miscellaneous Revenue							
Interest Circuit Court Clerk: Work Release	\$ 257,153 45,866	\$	165,205	\$	16,927	\$	4,054 45,866
Sheriff: Advertising Costs	2,790		2,790				45,800
Jailer: Telephone Commission Refunds Home Incarceration Fees Bond Fees Medical Service Fees Other Fees	136,602 22,220 4,587 4,643 123,280						136,602 22,220 4,587 4,643 123,280
Contract with Other Counties Transfers:	41,624		7.054				41,624
Cities Counties Licenses and Permits:	7,954 7,000		7,954 7,000				
Alcoholic Beverage Cable T.V. Franchise Other Franchise	4,443 13,410 29,260		4,443 13,410 29,260				
Charges for Services: Parking Meter Dog Pound Vending Machine Commission	5,137 19,180 198		5,137 19,180 198				

Local Government Economic Assistance Fund	Revol Loan Fund	ving	Emer 911 Fund	rgency	Health Insurance Fund		
\$	\$		\$		\$		
\$ 451,584	\$	0	\$	0	\$	0	
\$ 4.401	\$	43.274	\$	22.077	\$	1.215	

	(M	tals emorandum ly)	Ge Fu		ad and dge nd	Jai	l Fund
Miscellaneous Revenue (Continued)							
Family Premium	\$	10,634	\$		\$	\$	
Reimbursements		50,093		50,093			
Donations		3,508		3,508			
Child Support Incentives		124,112		124,112			
Revolving Loan Revenue		75,207					
Insurance Proceeds		8,264		8,031	233		
Surplus Machinery/Equipment Sales		23,862		7,169	16,693		
Rentals and Leases		6,778		6,778			
Miscellaneous Items		63,250		1,217	29,473		32,460
Totals	\$	1,091,055	\$	455,485	\$ 63,326	\$	415,336
Total Operating Revenue	\$	9,310,668	\$	4,272,714	\$ 1,336,106	\$	2,864,311

Local Governme	nt							
Economic		Revo	olving	Eme	ergency	Health		
Assistance	e	Loan		911		Insurance		
Fund		Fund		Fund		Fund		
\$		\$	75,207	\$		\$	10,634	
			100					
\$ 4,	401	\$	118,581	\$	22,077	\$	11,849	
\$ 455,9	985	\$	118,581	\$	251,122	\$	11,849	

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COMPARATIVE SCHEDULE OF FINAL BUDGET AND BUDGETED EXPENDITURES

CHRISTIAN COUNTY COMPARATIVE SCHEDULE OF FINAL BUDGET AND BUDGETED EXPENDITURES

Fiscal Year Ended June 30, 1998

					Under	
	Final		Budgeted		(Over)	
	Budget		Expend	itures	Budget	
GENERAL FUND						
General Government						
Office of County Judge/Executive:						
Salaries-						
County Judge/Executive	\$	48,661	\$	48,661	\$	
Budget Officer		23,104		23,104		
Secretary		20,795		20,795		
Advertising		3,355		3,355		
Data Processing Services		408		408		
Computer Software Development Service	e	2,340		2,340		
Maintenance Agreements		1,055		1,055		
Data Processing Supplies		603		603		
Duplicating Supplies		531		531		
Office Supplies		372		372		
Periodicals		458		458		
Petroleum Products		193		193		
Memberships		1,980		1,980		
Postal Charges		320		320		
Printing, Stationery, Forms		77		77		
Registrations		2,483		2,483		
Telephone		1,071		1,071		
Travel		225		225		
Office Equipment		3,120		3,120		
Office of County Attorney:						
Salaries-						
County Attorney		35,651		35,651		
Secretaries		15,583		15,583		
Data Processing Services		235		235		
Rentals		1,800		1,800		
Office Supplies		550		550		
Periodicals		294		294		
Reimbursements		2,063		2,063		
Telephone		456		456		

(Continued)					
	Einol		B 1 . 1		Under
	Final Budget	f	Budgeted Expenditures		(Over) Budget
	Duage	<u> </u>	Exper	iditures	Dudget
GENERAL FUND (Continued)					
Consued Covernment (Continued)					
General Government (Continued)					
Office of County Clerk:					
Salaries-					
County Clerk	\$	49,074	\$	49,074	\$
Deputies		268,141		268,141	
Expense Allowance		3,600		3,600	
Advertising		261		261	
Audit Services		5,612		5,612	
Data Processing Services		898		898	
Maintenance Agreements		3,076		3,076	
Maintenance and Repair Services		279		279	
Rentals		2,736		2,736	
Tax Bill Preparation		23,194		23,194	
Data Processing Supplies		387		387	
Duplicating Supplies		2,098		2,098	
Office Supplies		7,173		7,173	
Periodicals		997		997	
Uniforms		476		476	
Memberships		1,650		1,650	
Postal Charges		8,000		8,000	
Printing, Stationery, Forms		2,646		2,646	
Registrations		1,482		1,482	
Telephone		357		357	
Travel		258		258	
Office Equipment		16,082		16,082	
Office of Sheriff:					
Salaries-					
Sheriff		48,661		48,661	
Deputies		320,210		320,210	
Temporary/Part-Time Help		54,313		54,313	
Advertising Tax Bills		10,288		10,288	
Audit Services		11,156		11,156	
Data Processing Services		2,709		2,709	
Maintenance Agreements		626		626	
C		_			

(Continued)					TT	
	Final Budget	O			Under (Over) Budget	
GENERAL FUND (Continued)						
General Government (Continued)						
Office of Sheriff: (Continued)						
Maintenance and Repair-						
Office Equipment	\$	162	\$	162	\$	
Radio		604		604		
Vehicle		17,891		17,891		
Rentals		4,412		4,412		
Contracted Services		90		90		
Data Processing Supplies		994		994		
Law Enforcement		500		500		
Office Supplies		1,776		1,776		
Petroleum Products		30,481		30,481		
Tires and Tubes		3,908		3,908		
Uniforms		2,434		2,434		
Medical Services		1,207		1,207		
Memberships		1,150		1,150		
Postal Charges		9,500		9,500		
Printing, Stationery, Forms		1,407		1,407		
Registrations		1,916		1,916		
Telephone		1,140		1,140		
Education Program		3,622		3,622		
Principal on Lease		4,159		4,159		
Law Enforcement Equipment		3,724		3,724		
Motor Vehicles		38,413		38,413		
Office Equipment		21,809		21,809		
Office of County Coroner:						
Salaries-						
County Coroner		19,108		19,108		
Deputy Coroner		7,519		7,519		
Rentals		326		326		
Office Supplies		765		765		
Memberships		500		500		
Registrations		207		207		
Travel		138		138		
Other Equipment		1,355		1,355		

(Continued)						
	Final Budget		Budgeted Expenditures		Under (Over) Budget	
GENERAL FUND (Continued)						
General Government (Continued)						
Fiscal Court:						
Magistrates-						
Salaries	\$	117,099	\$	117,099	\$	
Memberships		1,550		1,550		
Registrations		1,016		1,016		
Travel		240		240		
Office of Property Valuation Administrator:						
Statutory Contribution		50,300		50,300		
Office of Board of Assessment Appeals:						
Per Diem		2,000		2,000		
Office of County Treasurer:						
Salaries-						
County Treasurer		36,754		36,754		
Assistant County Treasurer		30,223		30,223		
Advertising		2,907		2,907		
Data Processing Services		4,197		4,197		
Computer Software Development		2,496		2,496		
Maintenance and Repair-						
Office Equipment		541		541		
Data Processing Supplies		1,104		1,104		
Duplicating Supplies		70		70		
Office Supplies		477		477		
Postal Charges		1,412		1,412		
Printing, Stationery, Forms		696		696		
Office Equipment		3,268		3,268		
County Law Library:						
Law Librarian Salary		600		600		
Elections:						
Per Diem-						
Election Commissioners		8,700		8,700		
Election Officers		250		250		
Advertising		1,067		1,067		

(Continued)					
	Final Budget		Budget Expend		Under (Over) Budget
CENEDAL FLIND (Cantinual)					
GENERAL FUND (Continued)					
General Government (Continued)					
Elections: (Continued)					
Maintenance and Repair-					
Voting Machines	\$	2,389	\$	2,389	\$
Polling Place Rentals		440		440	
Printing, Stationery, Forms		4,095		4,095	
Training		1,420		1,420	
Travel		142		142	
Electric		23		23	
Voting Machines		29,970		29,970	
Planning and Zoning:					
Contracts with other Government Agence	eie	37,500		37,500	
Economic Development:					
Contribution		49,800		49,800	
		,		,	
Courthouse:					
Janitor Salary		13,427		13,427	
Maintenance and Repair-					
Buildings		9,609		9,609	
Equipment		471		471	
Pest Control		240		240	
Other Contracted Services		5,585		5,585	
Building Maintenance and Supplies		2,036		2,036	
Custodial Supplies		5,230		5,230	
Telephone		25,823		25,823	
Water and Sewer		1,388		1,388	
Electric		15,057		15,057	
Natural Gas		3,043		3,043	
Other Equipment		1,407		1,407	
Other County Properties:					
Maintenance and Repair - Buildings		3,622		3,622	
Pest Control		1,090		1,090	
Other Contracted Services		10,337		10,337	
Building Maintenance Supplies		282		282	
Water and Sewer		955		955	

(Common)	Final Budget		Budgeted Expenditures		Under (Over) Budget
GENERAL FUND (Continued)					
General Government (Continued)					
Other County Properties: (Continued)					
Electric	\$	1,368	\$	1,368	\$
Natural Gas		1,096		1,096	
Other Capital Outlay		85,681		85,681	
Annex Building:					
Maintenance Agreements		1,639		1,639	
Maintenance and Repair-					
Buildings		19,925		19,925	
Equipment		4,717		4,717	
Pest Control		1,415		1,415	
Other Contracted Services		585		585	
Building Maintenance Supplies		2,119		2,119	
Water and Sewer		10,363		10,363	
Electric		37,120		37,120	
Natural Gas		9,678		9,678	
Heating and Air Conditioning		635		635	
Other Equipment		600		600	
District Court Building:					
Maintenance and Repair - Buildings					
Buildings		2,726		2,726	
Equipment		943		943	
Pest Control		1,052		1,052	
Other Contracted Services		576		576	
Building and Maintenance Supplies		1,347		1,347	
Water and Sewer		1,306		1,306	
Electric		5,130		5,130	
Natural Gas		1,621		1,621	
County Police:					
Salaries-					
County Police		116,331		116,331	
Secretaries		12,312		12,312	
Incentive Pay		12,567		12,567	

Forestry Fire Protection:

Kentucky State Treasurer

		Under	
Final	Budgeted	(Over)	
Budget	Expenditures	Budget	

GENERAL FUND (Continued) General Government (Continued) County Police: (Continued) Maintenance and Repair -\$ Radio 170 \$ 170 \$ Vehicle 4,180 4,180 Rentals 798 798 Ammunition 351 351 Office Supplies 780 780 **Petroleum Products** 9,872 9,872 Tires and Tubes 1,435 1,435 Uniforms 743 743 **Medical Services** 73 73 Postal Charges 128 128 Registrations 1,066 1,066 Law Enforcement Equipment 689 689 Office Equipment 655 655 County Fire Department: Contributions 8.800 8,800 Disaster and Emergency Services: Director Salary 22,500 22,500 Maintenance and Repair - Vehicles 688 688 Rentals 4,281 4,281 Other Contracted Services 197 197 **Petroleum Products** 1,688 1,688 Contributions 700 700 Registrations 32 32 Other Equipment 3,382 3,382 Ambulance Service: 26,531 26,531 Ambulances

2,698

2,698

(Continued)					
					Under
			Budgeted		(Over)
	Budge	et	Expe	nditures	Budget
GENERAL FUND (Continued)					
Protection to Persons and Property (Continued)					
Emergency Dispatch Service:					
Dispatch Services	\$	100,300	\$	100,300	\$
	т	,	T	,	*
Drug Enforcement:					
Narcotics Enforcement Unit		11,881		11,881	
Office of Public Defender:					
Public Advocacy Program		8,618		8,618	
Dog Control:					
Salaries-					
Warden		17,112		17,112	
Assistant Warden		16,009		16,009	
Temporary/Part-Time		5,781		5,781	
Maintenance and Repair-					
Buildings		2,029		2,029	
Equipment		1,233		1,233	
Vehicle		1,203		1,203	
Animal Food and Supplies		4,251		4,251	
Office Supplies		457		457	
Petroleum Products		725		725	
Uniforms		512		512	
Pharmaceuticals		7,203		7,203	
Water and Sewer		510		510	
Electric		2,743		2,743	
Heating Oil		1,545		1,545	
Other Equipment		1,967		1,967	
Solid Waste Collection:					
Other Salaries and Wages		9,663		9,663	
Maintenance and Repair Services -		•		•	
Vehicle		733		733	
Other Contracted Services		14,099		14,099	
Office Supplies		113		113	
Petroleum Products		431		431	
Uniforms		553		553	

(Continued)	Final		Budge	ted	Under (Over)
	Budget		Expen	ditures	Budget
GENERAL FUND (Continued)					
Protection to Persons and Property (Continued)					
Solid Waste Collection: (Continued) Registrations Miscellaneous	\$	60 193	\$	60 193	\$
Other Health Programs: Other Contracted Services		12,772		12,772	
Social Services					
Senior Citizens Program: Contribution		3,500		3,500	
Services to Children and Youth: Salary- Secretary		7,200		7,200	
Friend of Court: Program Support		115,607		115,607	
Cemeteries and Memorials: Pauper Burials		1,000		1,000	
General Charity and Welfare: General Welfare		5,932		5,932	
Recreation and Culture					
County Museum: Contributions		1,500		1,500	
Public Libraries: Contribution Other Capital Outlays		36,000 1,452		36,000 1,452	

(Continued)					Under
	Final Budget		Budgeted Expenditures		(Over) Budget
GENERAL FUND (Continued)					
Recreation and Culture (Continued)					
Other Recreation Programs:					
Contributions	\$	29,000	\$	29,000	\$
Other Capital Outlays		40,843		40,843	
Celebrations and Festivals					
Contributions		2,250		2,250	
Airport					
Airport Operations and Maintenance:					
Program Support		17,500		17,500	
Debt Service					
Leases:					
Principal on Leases		56,303		56,303	
Interest on Leases		105,075		105,075	
<u>Administration</u>					
General Services:					
Audit Services		9,255		9,255	
Maintenance Agreements		10,103		10,103	
Other Contracted Services		8,150		8,150	
Area Development District Membership		9,497		9,497	
Insurance		96,204		96,204	
Memberships		3,220		3,220	
Memberships - KACO		1,700		1,700	
Refunds		36		36	
Miscellaneous		1,432		1,432	
Contingent Appropriations:					
Reserve for Transfers		563,687			563,687

(Continued)					T In alam	
	Final Budget		Budgeted Expenditures		Under (Over) Budget	
GENERAL FUND (Continued)						
Administration (Continued)						
Fringe Benefits:						
County Contributions-						
Social Security	\$	96,849	\$	96,849	\$	
Retirement		108,455		108,455		
Health Insurance						
Worker's Compensation		16,131		16,131		
Unemployment Insurance		2,941		2,941		
Distributions to Other Governmental Agenci	es:					
Christian County School Board		1,488		1,488		
Total Operating Budget	\$	3,688,083	\$	3,124,396	\$	563,687
Other Financing Uses:						
Transfers to Public Courthouse						
Corporation Fund -		83,528		83,528		
Principal on Capital Lease-		55,525		00,000		
Jail Facility		108,000		108,000		
Total General Fund	\$	3,879,611	\$	3,315,924	\$	563,687
ROAD AND BRIDGE FUND						
General Government						
Office of Road Supervisor/Engineer:						
Salaries-						
Public Works Director	\$	30,431	\$	30,431	\$	
Road Supervisor		22,722		22,722		
Road Labor		165,766		165,766		
Mechanic		47,333		47,333		
Secretary		17,112		17,112		
Temporary/Part-Time		5,640		5,640		
Data Processing Services		612		612		
Maintenance Agreements		449		449		

		Under	
Final	Budgeted	(Over)	
Budget	Expenditures	Budget	

ROAD AND BRIDGE FUND (Continued)

G

KOND AND BRIDGE FOND (Continued	1.7.			
General Government (Continued)				
Office of Road Supervisor/Engineer: (Cont	inued)			
Maintenance and Repairs-	,			
Buildings	\$	840	\$ 840	\$
Equipment		2,332	2,332	
Pest Control		240	240	
Other Contracted Services		363	363	
Office Supplies		814	814	
Uniforms		4,416	4,416	
Medical Services		1,955	1,955	
Registrations		319	319	
Telephone		764	764	
Travel		20	20	
Water and Sewer		2,455	2,455	
Electric		4,438	4,438	
Natural Gas		4,526	4,526	
Miscellaneous		484	484	
Communications Equipment		4,459	4,459	
Heating and Air Conditioning		6,980	6,980	
Other Capital Outlay		32,368	32,368	
Road Maintenance:				
Maintenance and Repair Service		654	654	
Other Contracted Services		88,015	88,015	
Asphalt		1,113,087	1,113,087	
Concrete		4,502	4,502	
Crushed Stone and Gravel		97,160	97,160	
Diesel Fuel		28,113	28,113	
Garage Supplies		12,266	12,266	
General Construction Materials		2,778	2,778	
Lubricants				
Machinery and Equipment - Parts		11,790	11,790	
Motor Vehicle-				
Parts		19,508	19,508	
Materials		40,004	40,004	
Petroleum Products		12,226	12,226	
Pipe		25,228	25,228	
Signs		12,463	12,463	
Salt		11,133	11,133	

	Final Budget		Budg Expe	geted enditures	Under (Over) Budge	
ROAD AND BRIDGE FUND (Continued)						
General Government (Continued)						
Road Maintenance: (Continued)						
Structural Steel	\$	95	\$	95	\$	
Tools		917		917		
Tires and Tubes		21,346		21,346		
Motor Vehicles		109,127		109,127		
Other Equipment		7,750		7,750		
Wood Products		7,420		7,420		
Miscellaneous		1,313		1,313		
Streets and Highways:						
Contracted Construction		229,871		229,871		
Administration						
General Services:						
Insurance		24,898		24,898		
Insurance - Vehicles		3,261		3,261		
Refund		8,466		8,466		
Contingent Appropriations:						
Reserve for Budget Transfers		394,106				394,106
Fringe Benefits:						
County Contributions-						
Retirement		22,498		22,498		
Social Security		21,066		21,066		
Worker's Compensation		13,010		13,010		
Unemployment Insurance		449		449		
Total Road and Bridge Fund	\$ 2	2,702,358	\$	2,308,252	\$	394,106

		Under
Final	Budgeted	(Over)
Budget	Expenditures	Budget

JAIL FUND

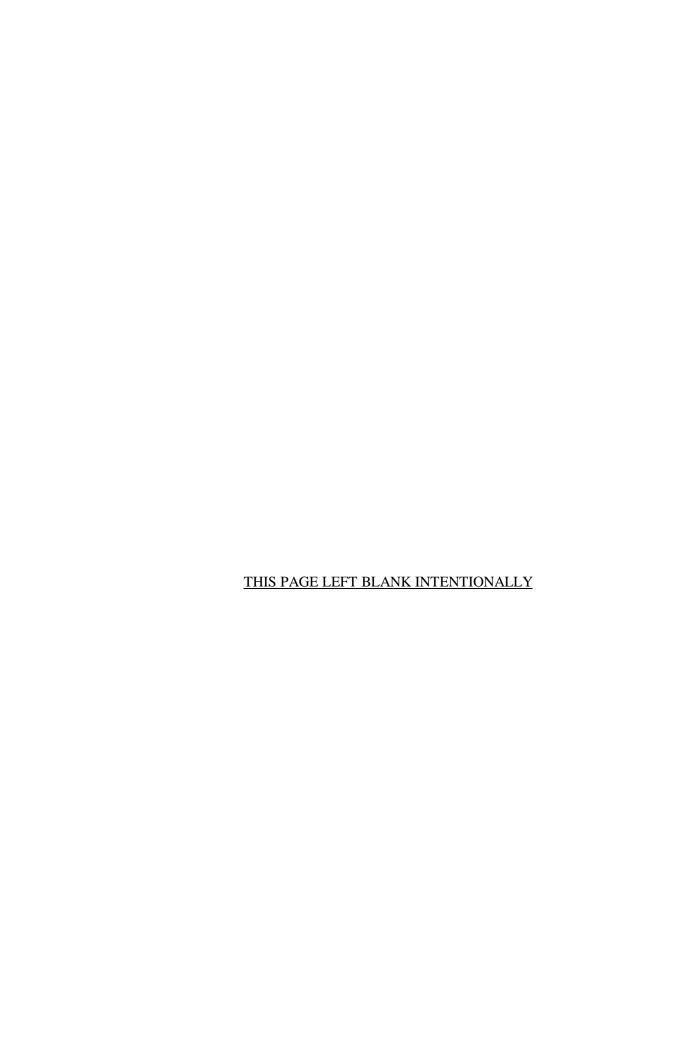
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Protection to Persons and Property			
Office of Jailer:			
Personnel Services-			
Salaries-			
Jailer	\$ 48,661	\$ 48,661	\$
Jail Personnel	738,743	738,743	
Temporary/Part-Time	93,726	93,726	
Operations-			
Laundry Services	10,888	10,888	
Maintenance Agreements	13,080	13,080	
Maintenance and Repair-			
Buildings	14,691	14,691	
Equipment	9,741	9,741	
Vehicle	3,900	3,900	
Pest Control	698	698	
Rentals	2,357	2,357	
Other Contracted Services	33,534	33,534	
Ammunition	3,188	3,188	
Building Maintenance and	4,549	4,549	
Custodial Supplies	31,788	31,788	
Data Processing Supplies	2,157	2,157	
Duplicating	1,927	1,927	
Chemicals	366	366	
Food Services	23,918	23,918	
Food	501,845	501,845	
Linens	30,136	30,136	
Office Supplies	5,399	5,399	
Periodicals	101	101	
Prisoner Hygiene	23,742	23,742	
Petroleum Products	5,735	5,735	
Plumbing	2,488	2,488	
Prisoner Clothing	6,522	6,522	
Salt	362	362	
Tires and Tubes	380	380	
Uniforms	12,877	12,877	
Medical Services	145,858	145,858	
Postal Charges	651	651	

(Continued)	Final		Budgeted		Under (Over)	
	Budget	<u>t</u>	Expen	ditures	Budget	
Printing, Stationery, Forms JAIL FUND (Continued)		3,109		3,109		
Protection to Persons and Property (Contin	ued)					
Office of Jailer: (Continued)						
Operations- (Continued)						
Telephone	\$	8,738	\$	8,738	\$	
Travel		440		440		
Utilities		120,108		120,108		
Miscellaneous		521		521		
Data Processing Equipment		193		193		
Food Service Equipment		932		932		
Law Enforcement Equipment		12,475		12,475		
Motor Vehicles		7,709		7,709		
Office Equipment		7,882		7,882		
Other Equipment		5,700		5,700		
Juvenile Detention:						
Contracts with Government Agencies		219,565		219,565		
Leases:						
Interest		100,000		100,000		
Administration						
General Services:						
Insurance		28,488		28,488		
Memberships		575		575		
Training		12,475		12,475		
Contingent Appropriations:						
Reserve for Budget Transfers		96,083				96,083
Fringe Benefits:						
County Contributions-						
Retirement		64,296		64,296		
Social Security		67,930		67,930		
Worker's Compensation		16,228		16,228		
Unemployment Insurance		2,778		2,778		

(Continued)						
	Final Budget		Budgeted Expenditures		Under (Over) Budget	
Total Jail Fund LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND	\$	2,550,233	\$	2,454,150	\$	96,083
Roads						
Road Maintenance: Asphalt Crushed Stone and Gravel	\$	249,669 160,299	\$	249,215 160,299	\$	454
Total Local Government Economic Assistance Fund	\$	409,968	\$	409,514	\$	454
REVOLVING LOAN FUND						
Economic Development						
Contracted Services: Contract with Government Agency	\$	15,000	\$	15,000	\$	
Other Charges: Miscellaneous		100				100
Administration: Revolving Loans		520,505		67,700		452,805
Total Revolving Loan Fund	\$	535,605	\$	82,700	\$	452,905
EMERGENCY 911 FEE FUND						
Emergency Dispatch Service						
Contracted Services: Contract with Government Agencies Other Contracted Services	\$	71,766 75,503	\$	71,766 75,503	\$	
Supplies and Materials: Office Supplies		449		449		
Other Charges: Reimbursements		1,376		1,376		

	Final Budget		Budgeted Expenditures		Under (Over) Budget	
Registrations EMERGENCY 911 FEE FUND		583		583		
Emergency Dispatch Service (Continued)						
Other Charges: (Continued) Travel Miscellaneous	\$	150 325	\$	150 325	\$	
Administration: Reserve for Transfer		94,048				94,048
Total Emergency 911 Fee Fund	\$	244,200	\$	150,152	\$	94,048
HEALTH INSURANCE FUND						
Health Insurance	\$	347,898	\$	253,901	\$	93,997
Total Operating Budget - All Funds	\$	10,478,345	\$	8,783,065	\$	1,695,280
Other Financing Uses: Transfers to Public Courthouse Corporation Fund		83,528		83,528		
Principal on Capital Lease- Jail Facility		108,000		108,000		
TOTAL BUDGET - ALL FUNDS	\$	10,669,873	\$	8,974,593	\$	1,695,280



REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS



Edward B. Hatchett, Jr. Auditor of Public Accounts

Honorable Steve Tribble, County Judge/Executive Members of the Christian County Fiscal Court

Report On Compliance And On Internal Control Over Financial Reporting Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards

We have audited the financial statements of Christian County, Kentucky, as of and for the year ended June 30, 1998, and have issued our report thereon dated March 26, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in <u>Government Auditing Standards</u> issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Christian County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under <u>Government Auditing Standards</u>. However, there is an immaterial noncompliance, which is disclosed, in the accompanying schedule of Comments and Recommendations.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Christian County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

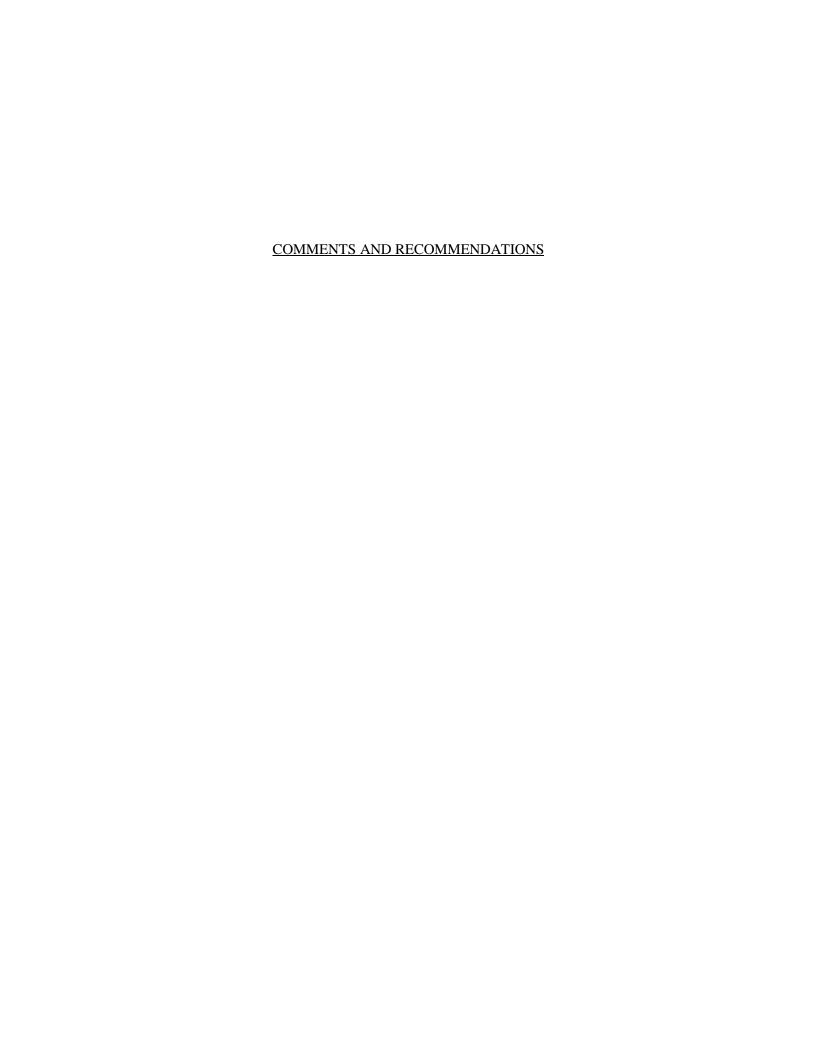
Honorable Steve Tribble, County Judge/Executive Members of the Christian County Fiscal Court Report On Compliance And On Internal Control Over Financial Reporting Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards (Continued)

This report is intended for the information of management. However, this report, upon release by the Auditor of Public Accounts, is a matter of public record and its distribution is not limited.

Respectfully submitted,

Edward B. Hatchett, Jr. Auditor of Public Accounts

Audit fieldwork completed - March 26, 1999



CHRISTIAN COUNTY COMMENTS AND RECOMMENDATIONS

Fiscal Year Ended June 30, 1998

1) County Saves \$230,674 By Restructuring Debt

The county restructured its lease with the Kentucky Association of Counties Leasing Trust Program for the Jail Construction Project. The terms of the new agreement locks the fixed rate for a ten-year period ending January 2008. At the end of the ten year period, the balance of the lease can be prepaid without penalty and the county has the option to convert to the variable rate program or lock the rate in again until the maturity of the lease in the year 2017. The county is projected to save \$230,674 due to this restructuring of debt.

2) The County Should Have Required Depository Institutions To Pledge Additional Securities Of \$645,209 As Collateral And Entered Into A Written Agreement To Protect Deposits

The county's deposits were not adequately secured by \$645,209 as of June 30, 1998. Under provisions of KRS 66.480(1)(d) and KRS 41.240(4), banks are required to provide pledges of securities for interest-bearing and noninterest-bearing deposits if either exceeds the \$100,000 amount of insurance coverage provided by the Federal Deposit Insurance Corporation. The county should require depository institutions to pledge sufficient securities as collateral to insure deposits at all times. We also recommend the county enter into a written agreement with all depository institutions that they maintain deposits. This agreement, signed by both parties, must be sufficient to create an enforceable and perfected security interest in the collateral under Kentucky law. According to federal law, 12 U.S.C.A. § 1823(e), this agreement should be (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution.

Management's Response:

Understood and will comply in the future.

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CERTIFICATION OF COMPLIANCE – LOCAL GOVERNMENT ECONOMIC ASSISTANCE PROGRAM

CHRISTIAN COUNTY FISCAL COURT

Fiscal Year Ended June 30, 1998

CERTIFICATION OF COMPLIANCE

LOCAL GOVERNMENT ECONOMIC ASSISTANCE

CHRISTIAN COUNTY FISCAL COURT

The Christian County Fiscal Court hereby certifies that assistance received from the Local Government Economic Development Program and Local Government Economic Assistance Program was expended for the purpose intended as dictated by the applicable Kentucky Revised Statutes.

Name
County Judge/Executive

County Treasurer